
EURASIAN BANK JSC

Consolidated Interim Condensed
Financial Statements
(non-audited)

For the six months ended 30 June 2008

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KPMG Audit LLC
Koktem Business Centre
180 Dostyk Avenue
Almaty, Kazakhstan 050051

Telephone +7 (727) 298 08 98
Fax +7 (727) 298 07 08
E-mail company@kpmg.kz

Independent Auditors' Report

To the Board of Directors and Management Board of Eurasian Bank JSC

Report on Review of the Interim Financial Information

Introduction

We have reviewed the accompanying consolidated interim condensed balance sheet of Eurasian Bank JSC (the "Bank") and its subsidiaries (the "Group") as at 30 June 2008, and the related consolidated interim condensed statements of income, changes in equity and cash flows for the six month period then ended (consolidated interim financial information). Management is responsible for the preparation and presentation of this consolidated interim condensed financial information in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the consolidated interim financial information as at 30 June 2008 and for the six-month period then ended is not prepared, in all material respects, in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.


Berdalina J. K.
Certified Auditor
President




Alin Bowen
Managing Partner





KPMG Audit LLC
Licence #0000021 dated 6 December 2006
to conduct audits

15 December 2008

Eurasian Bank JSC
Consolidated Interim Condensed Income Statement for the six-month period ended 30 June 2008

	Note	6 months 2008 (non-audited) KZT'000	6 months 2007 KZT'000
Interest income	5	10,644,208	8,684,584
Interest expense	5	(5,863,079)	(4,712,615)
Net interest income		4,781,129	3,971,969
Fee and commission income	6	1,356,654	1,484,448
Fee and commission expense	6	(291,807)	(219,247)
Net fee and commission income		1,064,847	1,265,201
Net earned insurance premiums	7	3,615,352	2,671,848
Net foreign exchange gain		371,242	545,278
Net realised gain/(loss) on available-for-sale securities		(106,937)	499,398
Other income		295,901	130,635
Operating income		10,021,534	9,084,329
Impairment losses	8	(1,506,253)	(233,890)
Insurance claims incurred, net	9	(2,131,709)	(502,084)
Personnel expenses		(2,066,622)	(1,582,279)
Administrative expenses		(2,226,117)	(1,838,914)
Operating expenses		(7,930,701)	(4,157,167)
Income before tax		2,090,833	4,927,162
Income tax expense	10	(10,109)	(558,484)
Net income		2,080,724	4,368,678
Earnings per share (in KZT)	11	24.110	52.205

The consolidated interim condensed financial statements as set out on pages 5 to 39 were approved by management on 15 December 2008, and signed on its behalf by:


 Ageyev A.A.
 Deputy Chairman of the Board
 


 Bichurina A.A.
 Chief Accountant



The consolidated interim condensed income statement is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 10 to 39.

		30 June 2008 (non-audited)	31 December 2007
	Note	KZT'000	KZT'000
ASSETS			
Cash		7,969,375	5,065,043
Due from the National Bank of the Republic of Kazakhstan		25,736,622	8,658,213
Placements with banks and other financial institutions		30,304,400	28,787,312
Amounts receivable under reverse repurchase agreements		13,639,064	9,866,697
Derivative securities		10,349	2,350
Loans to customers	12	104,161,073	115,757,725
Reinsurers' share of insurance contract provisions	13	6,726,660	950,503
Available-for-sale securities	14	30,613,846	28,003,975
Insurance premiums receivable		5,276,385	1,328,012
Income tax prepaid		75,930	331,867
Deferred tax assets		603,216	166,002
Other assets	15	2,507,286	1,120,434
Property and equipment		10,428,799	10,574,097
Total assets		238,053,005	210,612,230
LIABILITIES AND EQUITY			
Deposits and balances from banks and other financial institutions		48,778,681	38,329,428
Amounts payable under repurchase agreements		11,006,865	8,583,385
Derivative securities		5,480	17,902
Current accounts and deposits from customers	16	88,614,737	89,207,141
Debt securities issued		1,504,061	1,501,617
Subordinated debt securities issued		17,415,183	15,597,213
Insurance and reinsurance payables		5,083,373	1,546,414
Insurance contract provisions	13	13,810,099	6,680,278
Income tax payable		46,135	-
Other liabilities	17	2,610,504	5,592,451
Total liabilities		188,875,118	167,055,829
Equity			
Share capital		12,010,070	7,999,927
Share premium		25,632	25,632
Reserve for general risks		2,705,823	648,282
Revaluation reserve for available-for-sale securities		(1,139,325)	(669,944)
Retained earnings		35,575,687	35,552,504
Total equity		49,177,887	43,556,401
Total liabilities and equity		238,053,005	210,612,230
Commitments and contingencies	18		



The consolidated interim condensed balance sheet is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 10 to 39.

	6 months 2008 (non-audited) KZT'000	6 months 2007 KZT'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	2,090,833	4,927,162
Adjustments for non-cash items:		
Depreciation and amortisation	429,603	201,875
Impairment losses	1,506,253	233,890
Loss/(gain) on sale of property and equipment	950	(107)
Net change of fair value of derivative securities	(20,421)	-
Change in accrued interest income	(430,009)	(500,452)
Change in accrued interest expense	(420,556)	106,524
Coupon interest payable and amortisation of discount on debt securities issued	156,736	116,292
Amortisation of (discount)/premium on available-for-sale securities	(73,208)	190,288
Operating income before changes in net operating assets	3,240,181	5,275,472
(Increase)/decrease in operating assets		
Obligatory reserve	(1,797,306)	(1,287,364)
Placements with banks and other financial institutions	(1,798,779)	(11,820,700)
Amounts receivable under reverse repurchase agreements	(3,783,070)	(1,374,908)
Loans to customers	10,447,916	(34,284,991)
Insurance and reinsurance premiums receivable	(979,507)	1,222,131
Other assets	(549,661)	992,661
Increase/(decrease) in operating liabilities		
Deposits and balances from banks and other financial institutions	10,961,759	1,665,823
Current accounts and deposits from customers	(598,061)	15,815,322
Amounts payable under repurchase agreements	2,431,784	-
Insurance and reinsurance payables	568,093	235,333
Insurance contract provisions	1,360,623	(741,012)
Other liabilities	(3,748,825)	280,102
Net cash from/(used in) operating activities before income tax paid	15,755,147	(24,022,131)
Income tax paid	(145,251)	(529,776)
Cash flows from/(used in) operations	15,609,896	(24,551,907)



The consolidated interim condensed statement of cash flows is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 10 to 39.

	6 months 2008 (non-audited) KZT'000	6 months 2007 KZT'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of available-for-sale securities	(34,304,868)	(21,373,973)
Proceeds from sale and redemption of available-for-sale securities	31,184,903	36,057,009
Acquisition of subsidiaries	-	(38,686)
(Purchases)/sales of precious metals	(82,361)	12,632
Purchases of property and equipment	(245,664)	(1,229,592)
Sales of property and equipment	27,355	6,052
Purchases of intangible assets	(31,388)	(28,237)
Cash flows (used in)/from investing activities	(3,452,023)	13,405,205
CASH FLOWS FROM FINANCING ACTIVITIES		
Subordinated debt securities issued	1,569,080	-
Shares issued	4,010,143	-
Cash flows from financing activities	5,579,223	-
Net increase/(decrease) in cash and cash equivalents	17,737,096	(11,146,702)
Cash and cash equivalents at the beginning of the period	23,103,359	21,602,407
Cash and cash equivalents at the end of the period (Note 19)	40,840,455	10,455,705



Eurasian Bank JSC
Consolidated Interim Condensed Statement of Changes in Equity for the six-month period ended 30 June 2008

KZT '000	Share capital	Share premium	Revaluation reserve for available-for-sale securities	Reserve for general risks	Retained earnings	Total
Balance at 1 January 2007	7,999,927	25,632	461,987	649,315	9,793,619	18,930,480
Net income for the period	-	-	-	-	4,368,678	4,368,678
Unrealised losses on available-for-sale securities	-	-	(896,836)	-	-	(896,836)
Realised gains on available-for-sale securities	-	-	(439,125)	-	-	(439,125)
Transfers	-	-	-	(519)	519	-
Total recognised income for the period	-	-	-	-	-	3,032,717
Acquisition of subsidiaries	-	-	964,184	91,259	20,063,264	21,118,707
Balance at 30 June 2007	7,999,927	25,632	90,210	740,055	34,226,080	43,081,904
Balance at 1 January 2008	7,999,927	25,632	(669,944)	648,282	35,552,504	43,556,401
Net income for the period	-	-	-	-	2,080,724	2,080,724
Net unrealised losses on available-for-sale securities	-	-	(576,318)	-	-	(576,318)
Net realised losses on available-for-sale securities	-	-	106,937	-	-	106,937
Total recognised income for the period	-	-	-	-	-	1,611,343
Shares issued	4,010,143	-	-	-	-	4,010,143
Transfers	-	-	-	2,057,541	(2,057,541)	-
Balance at 30 June 2008 (non-audited)	12,010,070	25,632	(1,139,325)	2,705,823	35,575,687	49,177,887



The consolidated interim condensed statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the consolidated interim condensed financial statements set out on pages 10 to 39.

1 Background

These consolidated interim condensed financial statements include the financial statements of Eurasian Bank JSC (the “Bank”) and its subsidiaries. The Bank and its subsidiaries are hereinafter, collectively, referred to as the “Group”.

The Group operates in two main business segments: banking and insurance. The activities of the Group are regulated by the FMSA and the National Bank of the Republic of Kazakhstan (“the NBRK”).

The Group has 18 regional banking branches, 40 cash settlement centers and 5 insurance branches from which it conducts business throughout Kazakhstan. The registered address of the Bank’s head office is 56 Kunayeva, Almaty, Republic of Kazakhstan. The majority of the Group’s assets and liabilities are located in Kazakhstan. The average number of people employed by the Group during the period was 2,016 (2007: 1,721).

2 Basis of preparation

(a) Statement of compliance

The accompanying consolidated interim condensed financial statements of the Group have been prepared in accordance with International Financial Reporting Standard (“IFRS”) IAS 34 “Interim Financial Reporting”. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Group as at and for the year ended 31 December 2007, as these consolidated interim condensed financial statements provide an update of previously reported financial information.

These consolidated interim condensed financial statements of the Group present the consolidated interim condensed balance sheet as at 30 June 2008 and consolidated interim condensed statements of income, changes in equity and cash flows for the six-month period ended 30 June 2008, corresponding figures as at 31 December 2007 and for the six-month period ended 30 June 2007, and selected explanatory notes.

(b) Basis of measurement

The consolidated interim condensed financial statements are prepared on the historical cost basis except that financial instruments at fair value through profit or loss and available-for-sale assets are stated at fair value.

(c) Functional and presentation currency

The national currency of the Kazakhstan is the Kazakhstan Tenge (“KZT”). Management has determined the Bank’s and the majority of the Bank’s subsidiaries’ functional currency to be the KZT as it reflects the economic substance of the underlying events and circumstances of the Group. The KZT is also the Group’s presentation currency for the purposes of these consolidated interim condensed financial statements. Except as indicated, financial information presented in KZT has been rounded to the nearest thousand.



2 Basis of preparation, continued

(d) Use of estimates and judgments

The presentation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In preparing these consolidated interim condensed financial statements the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those that applied to the Group's financial statements for the year ended 31 December 2007.

3 Significant accounting policies

The accounting policies applied by the Group in these consolidated interim condensed financial statements are consistent with those applied by the Group in its financial statements for the year ended 31 December 2007.

4 Segment reporting

Segment information is presented in respect of the Group's business segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

The Group comprises the following two main business segments:

- **Banking** – Includes deposit taking and customer account maintenance, lending and issuing guarantees, cash and settlement operations, operations with securities and foreign exchange.
- **Insurance** – Includes offering non-life insurance and reinsurance products.



4 Segment reporting, continued

Segment information for the reportable business segments of the Group as at 30 June 2008 and for the six-month period ended 30 June 2008 is set out below:

KZT '000	2008 (non-audited)			
	Banking	Insurance	Unallocated	Total
External revenue				
Interest income	9,345,685	1,178,735	119,788	10,644,208
Interest expense	(5,862,920)	-	(159)	(5,863,079)
Net fee and commission income	816,778	(159,283)	407,352	1,064,847
Net earned premiums	-	3,615,352	-	3,615,352
Net foreign exchange gain	364,713	(2,282)	8,811	371,242
Net realised gains on available-for-sale securities	45,987	(169,725)	16,801	(106,937)
Other operating income	175,690	92,568	27,643	295,901
	(255,337)	614,491	(359,154)	-
Inter-segment revenue				
Total segment revenue	4,630,596	5,169,856	221,082	10,021,534
Segment result	593,868	1,860,558	(363,593)	2,090,833
Income tax benefit/(expense)	223,794	(212,973)	(20,930)	(10,109)
Net income for the period	817,662	1,647,585	(384,523)	2,080,724
Segment assets	199,527,564	37,464,928	-	236,992,492
Unallocated assets	-	-	1,060,513	1,060,513
Total assets	-	-	-	238,053,005
Segment liabilities	169,770,845	19,088,961	-	188,859,806
Unallocated liabilities	-	-	15,312	15,312
Total liabilities	-	-	-	188,875,118
Acquisition of property and equipment	113,647	116,343	15,674	245,664
Depreciation charge	(376,273)	(44,961)	(8,369)	(429,603)



4 Segment reporting, continued

Segment information for the reportable business segments of the Group as at 30 June 2007 and for the six-month period ended 30 June 2007 is set out below:

KZT '000	2007			
	Banking	Insurance	Unallocated	Total
External revenue				
Interest income	8,126,203	536,164	22,217	8,684,584
Interest expense	(4,712,615)	-	-	(4,712,615)
Net fee and commission income	1,049,326	(63,574)	279,449	1,265,201
Net earned premiums	-	2,671,848	-	2,671,848
Net foreign exchange gain	541,384	3,808	86	545,278
Net realised gains on available-for-sale securities	278,279	222,959	(1,840)	499,398
Other operating income	94,600	30,858	5,177	130,635
Inter-segment revenue	45,141	(45,042)	(99)	-
Total segment revenue	5,422,318	3,357,021	304,990	9,084,329
Segment result	2,736,943	2,168,727	21,492	4,927,162
Income tax expense	(491,236)	-	(67,248)	(558,484)
Net income for the period	2,245,707	2,168,727	(45,756)	4,368,678
Segment assets	174,286,529	28,230,848	-	202,517,377
Unallocated assets	-	-	1,827,001	1,827,001
Total assets	174,286,529	28,230,848	1,827,001	204,344,378
Segment liabilities	151,350,880	9,666,158	-	161,017,038
Unallocated liabilities	-	-	245,436	245,436
Total liabilities	151,350,880	9,666,158	245,436	161,262,474
Acquisition of property and equipment	304,035	539,771	388,468	1,232,274
Depreciation charge	(182,955)	(15,702)	(3,218)	(201,875)



5 Net interest income

	6 months 2008 (non-audited) KZT '000	6 months 2007 KZT '000
Interest income		
Loans to customers	8,326,035	6,975,875
Available-for-sale securities	1,263,729	1,019,052
Placements with banks and other financial institutions	855,264	564,027
Amounts receivable under reverse repurchase agreements	117,138	38,755
Due from the National Bank of the Republic of Kazakhstan	82,042	86,875
Total interest income	10,644,208	8,684,584
Interest expense		
Current accounts and deposits from customers	(2,989,920)	(2,420,458)
Deposits and balances from banks and other financial institutions	(1,815,470)	(1,729,317)
Subordinated debt securities issued	(996,738)	(504,800)
Debt securities issued	(51,209)	(51,193)
Amounts payable under repurchase agreements	(9,742)	(6,847)
Total interest expense	(5,863,079)	(4,712,615)
Net interest income	4,781,129	3,971,969



6 Net fee and commission income

	6 months 2008 (non-audited) KZT '000	6 months 2007 KZT '000
Fee and commission income		
Commission on pension asset management	267,596	260,536
Transfer operations	273,449	216,673
Foreign currency conversion services	256,992	372,594
Cash operations	157,973	315,259
Guarantees and letters of credit issued	79,294	107,736
Asset management	63,853	83,905
Insurance and reinsurance commissions	54,197	12,315
Maintenance of card accounts	40,051	18,413
Encashment services	28,977	31,811
Custodian services	18,152	12,091
Other	116,120	53,115
Total fee and commission income	1,356,654	1,484,448
Fee and commission expense		
Insurance and reinsurance commissions	(223,483)	(69,947)
Payment transfer fees	(17,719)	(17,697)
Asset management	(16,535)	(58,372)
Cash operations	(14,211)	(40,483)
Documentary settlements	(62)	(9,076)
Other	(19,797)	(23,672)
Total fee and commission expense	(291,807)	(219,247)
Net fee and commission income	1,064,847	1,265,201



7 Net earned insurance premiums

6 months 2008 (non-audited) KZT '000	Voluntary – Medical	Voluntary – Cargo	Voluntary – Property	Voluntary – Financial losses	Voluntary – Other	Mandatory – Damage to third parties	Mandatory – Employer's liability	Mandatory – Other	Total
Gross insurance premiums written	515,429	2,021,884	8,540,260	37,560	1,910,214	143,543	128,482	70,463	13,367,835
Written premiums ceded to reinsurers	-	(1,680,304)	(5,954,055)	(31,074)	(1,333,325)	(3,859)	(7,717)	-	(9,010,334)
Net written insurance premiums	515,429	341,580	2,586,205	6,486	576,889	139,684	120,765	70,463	4,357,501
Change in the gross provision for unearned premiums	(259,326)	(1,063,612)	(5,206,705)	412,541	(817,965)	79,710	818,180	(30,821)	(6,067,998)
Reinsurers' share of change in the gross provision for unearned premiums	-	1,023,390	3,994,278	(367,573)	669,614	1,624	4,516	-	5,325,849
Earned insurance premiums	(259,326)	(40,222)	(1,212,427)	44,968	(148,351)	81,334	822,696	(30,821)	(742,149)
Net earned insurance premiums	256,103	301,358	1,373,778	51,454	428,538	221,018	943,461	39,642	3,615,352



7 Net earned insurance premiums, continued

	Voluntary - Medical	Voluntary - Cargo	Voluntary - Property	Voluntary - Financial losses	Voluntary - Other	Mandatory - Damage to third parties	Mandatory - Employer's liability	Mandatory - Other	Total
6 months 2007									
KZT '000									
Gross insurance premiums written	118,075	651,533	802,572	392,622	412,721	87,884	57,961	16,366	2,539,734
Written premiums ceded to reinsurers	-	-	(590,102)	-	(131,110)	-	-	-	(721,212)
Net written insurance premiums	118,075	651,533	212,470	392,622	281,611	87,884	57,961	16,366	1,818,522
Change in the gross provision for unearned premiums	(20,691)	120,585	679,836	(78,617)	234,026	44,521	434,557	(641)	1,413,576
Reinsurers' share of change in the gross provision for unearned premiums	-	-	(455,559)	(854)	(97,578)	-	(6,259)	-	(560,250)
Earned insurance premiums	(20,691)	120,585	224,277	(79,471)	136,448	44,521	428,298	(641)	853,326
Net earned insurance premiums	97,384	772,118	436,747	313,151	418,059	132,405	486,259	15,725	2,671,848



8 Impairment losses

	6 months 2008 KZT '000	6 months 2007 KZT '000
Loans to customers (Note 12)	1,544,858	276,062
Placements with banks and other financial institutions	(15,096)	-
Commitments and contingencies	-	(39,247)
Other assets	(23,509)	(2,925)
	1,506,253	233,890



9 Insurance claims incurred, net

6 months 2008 (non-audited) KZT '000	Voluntary - Medical	Voluntary - Cargo	Voluntary - Property	Voluntary - Financial losses	Voluntary - Other	Mandatory - Damage to third parties	Mandatory - Employer's liability	Mandatory - Other	Total
Current period claims and loss adjustment expenses	332,011	546,632	204,042	-	66,477	1,567	385,499	6,561	1,542,789
Change in provisions for incurred but not reported claims	12,461	29,676	104,784	1,299	9,790	873,944	(29,543)	404	1,002,815
Change in provisions for reported but not settled claims	-	(239,235)	51,600	(6,572)	(118,916)	(5,150)	377,569	(288)	59,008
Insurance claims incurred, gross	344,472	337,073	360,426	(5,273)	(42,649)	870,361	733,525	6,677	2,604,612
Reinsurers' share of current period claims incurred	-	-	(22,595)	-	-	-	-	-	(22,595)
Reinsurers' share of change in provisions for incurred but not reported claims	-	-	(302,942)	(1,551)	(80,421)	(174)	(897)	-	(385,985)
Reinsurers' share of change in provisions for reported but not settled claims	-	-	2,937	-	(67,260)	-	-	-	(64,323)
Insurance claims incurred, net	344,472	337,073	37,826	(6,824)	(190,330)	870,187	732,628	6,677	2,131,709



9 Insurance claims incurred, net, continued

6 months 2007 KZT '000	Mandatory -							Total	
	Voluntary - Medical	Voluntary - Cargo	Voluntary - Property	Voluntary - Financial losses	Voluntary - Other	Damage to third parties	Mandatory - Employer's liability		Mandatory - Other
Current period claims and loss adjustment expenses	56,883	101,386	6,013	-	98,241	253	83,548	4,799	351,123
Additional cost for prior years claims and loss adjustment expenses	37,916	105	7	-	610	-	-	10	38,648
Change in provisions for incurred but not reported claims	30,440	(1,221)	(5,490)	-	21,189	-	(34,474)	4,767	15,211
Change in provisions for reported but not settled claims	-	(30,274)	28,638	(191)	(94,571)	-	168,426	(10,593)	61,435
Insurance claims incurred, gross	125,239	69,996	29,168	(191)	25,469	253	217,500	(1,017)	466,417
Reinsurers' share of claims incurred	-	-	12,702	-	(4,897)	27,838	-	24	35,667
Insurance claims incurred, net	125,239	69,996	41,870	(191)	20,572	28,091	217,500	(993)	502,084



10 Income tax expense

	6 months 2008 (non-audited) KZT '000	6 months 2007 KZT '000
Current tax expense		
Current period	665,552	355,412
(Over)/underprovided current income tax of prior periods	(218,229)	79,889
	447,323	435,301
Deferred tax expense		
Origination and reversal of temporary differences	(437,214)	123,183
Income tax expense	10,109	558,484

The Group's applicable tax rate for current and deferred tax is 30% (2007: 30%).

Reconciliation of effective tax rate:

	6 months 2008 (non-audited) KZT '000	%	6 months 2007 KZT '000	%
Income before tax	2,090,833	100	4,927,162	100
Income tax at the applicable tax rate	627,250	30	1,478,149	30
Tax-exempt securities and loans income	(202,150)	(43)	(1,325,447)	(27)
(Over)/underprovided current income tax of prior periods	(218,229)	(9)	79,889	2
(Non-taxable)/non-deductible items	(196,762)	36	325,893	6
	10,109	14	558,484	11

11 Earnings per share

Basic earnings per share is calculated by dividing the net income for the period attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. The Bank does not have any share options, or convertible debt or equity instruments.

	6 months 2008 (non-audited)	6 months 2007
Net income attributable to ordinary shares, in thousand of KZT	2,080,724	4,368,678
Weighted average number of shares	86,300	83,683
Basic earnings per share, in KZT	24.110	52.205



12 Loans to customers

(a) Industry and geographical analysis of the loan portfolio

Loans to customers are issued primarily to customers operating in the Republic of Kazakhstan, as follows:

	30 June 2008 KZT '000	31 December 2007 KZT '000
Loans to large corporate clients and SME		
Construction	14,604,479	16,319,270
Real estate	13,371,315	12,992,525
Wholesale trade	7,043,163	6,825,984
Entertainment	4,310,152	2,795,190
Food production	3,969,880	4,038,990
Transport	3,896,682	2,945,877
Services	2,742,438	1,738,144
Agriculture, forestry and timber	896,711	1,179,348
Manufacturing	740,938	819,641
Retail trade	709,549	1,343,996
Mining/metallurgy	546,599	9,072,750
Publishing	267,561	269,677
Medical and social care	254,638	77,956
Machinery production	215,557	624,027
Energy production and supply	191,771	249,313
Financial intermediary	145,988	183,909
Hotels and restaurants	48,851	77,732
Other	445,720	436,948
Total loans to large corporate clients and SME	54,401,992	61,991,277
Loans to individuals		
Mortgage loans	25,279,756	28,103,930
Individual entrepreneurship loans	13,525,717	12,578,515
Consumer loans	9,011,234	10,922,411
Automobile loans	4,215,704	3,468,889
Other loans to individuals	2,622,144	2,385,115
Total loans to individuals	54,654,555	57,458,860
Total loans to customers, gross	109,056,547	119,450,137
Impairment allowance	(4,895,474)	(3,692,412)
Total loans to customers, net	104,161,073	115,757,725



12 Loans to customers, continued

(b) Contractually overdue loans and allowance for impairment

Movements in the loan impairment allowance for the 6 months ended 30 June 2008 and 30 June 2007 are as follows:

	30 June 2008	30 June 2007
	KZT '000	KZT '000
Balance at the beginning of the period	3,692,412	1,762,362
Net charge for the period (Note 8)	1,544,858	276,062
Write-offs	(341,796)	(169,148)
Balance at the end of the period	4,895,474	1,869,276

As at 30 June 2008 interest accrued on impaired loans amounts to KZT 634,069 thousand (31 December 2007: KZT 544,218 thousand).

In determining the impairment allowance for commercial loans as at 30 June 2008 the management has assumed an average historic annual loss rate of 0.75%.

Changes in these estimates could affect the loan impairment provision. For example, to the extent that the net present value of the estimated cash flows differs by one percent, the loan impairment provision on commercial loans as of 30 June 2008 would be KZT 530,016 thousand lower/higher.

As for loans to individuals, the Group estimates loan impairment based on its past historical loss experience on these types of loans.

Changes in these estimates could affect the loan impairment provision. For example, to the extent that the net present value of the estimated cash flows differs by plus/minus three percent, the loan impairment on loans to individuals as of 30 June 2008 would be KZT 1,534,786 thousand lower/higher.

Information in relation to loans with contractually overdue principal or interest (overdue is less than 30 days to 180 days) as at 30 June 2008 and 31 December 2007 is summarised as follows:

	30 June 2008 (non-audited)	31 December 2007
	KZT '000	KZT '000
Gross loans with contractually overdue principal or interest	12,924,008	7,259,856
Less: allowance for impairment	(3,761,655)	(2,238,419)
Net contractually overdue loans recorded in the balance sheet	9,162,353	5,021,437



12 Loans to customers, continued

(c) Loan maturities

The maturity of the Group's loan portfolio is presented in Note 22, which shows the remaining period from the reporting date to the contractual maturity of the loans comprising the loan portfolio. Due to the nature of the credits issued by the Group, it is likely that many of the Group's loans to customers will be prolonged on maturity. Accordingly, the effective maturity of the loan portfolio may be significantly longer than the classification indicated based on contractual terms.

13 Insurance contract provisions

KZT '000	30 June 2008 (non-audited)		
	Gross	Reinsurance	Net
Unearned premiums	9,096,933	(6,164,635)	2,932,298
Incurred but not reported provision	1,700,287	(443,711)	1,256,576
Reported but not settled claims provision	3,012,879	(118,314)	2,894,565
Total insurance contract provisions	13,810,099	(6,726,660)	7,083,439
Current	12,857,717	(6,205,957)	6,651,760
Non-current	952,382	(520,703)	431,679
	13,810,099	(6,726,660)	7,083,439

KZT '000	31 December 2007		
	Gross	Reinsurance	Net
Unearned premiums	3,028,935	(838,786)	2,190,149
Incurred but not reported provision	697,472	(57,727)	639,745
Reported but not settled claims provision	2,953,871	(53,990)	2,899,881
Total insurance contract provisions	6,680,278	(950,503)	5,729,775
Current	6,194,584	(706,640)	5,487,944
Non-current	485,694	(243,863)	241,831
	6,680,278	(950,503)	5,729,775



13 Insurance contract provisions, continued

(a) Analysis of movements in insurance contract provisions

	2008 (non-audited) KZT '000	2007 KZT '000
Balance at 1 January and 16 March (date of acquisition), respectively	5,729,775	5,610,612
Gross premiums written	13,367,835	2,539,734
Gross premiums earned	(7,299,837)	(3,953,310)
Current period claims reported	2,109,403	151,428
New provisions established in the period	1,219,735	769,909
Change in previous years' provisions	(903,498)	(152,266)
Claims paid	(1,365,530)	(688,898)
Change in loss adjustment expense provision	1,713	(3,526)
Change in reinsurers' share	(5,776,157)	595,917
Balance at 30 June	7,083,439	4,869,600

(b) Analysis of movements in provisions for unearned premiums

	2008 (non-audited) KZT '000	2007 KZT '000
Balance at 1 January and 16 March (date of acquisition), respectively	2,190,149	3,408,890
Gross premiums written (Note 7)	13,367,835	2,539,734
Gross premiums earned	(7,299,837)	(3,953,310)
Change in reinsurers' share (Note 7)	(5,325,849)	560,250
Balance at 30 June	2,932,298	2,555,564



13 Insurance contract provisions, continued

(c) Analysis of movements in provisions for incurred but not reported claims

	2008 (non-audited) KZT '000	2007 KZT '000
Balance at 1 January and 16 March (date of acquisition), respectively	639,745	81,487
New provisions established in the period	1,002,815	15,211
Change in reinsurers' share	(385,984)	12,026
Balance at 30 June	1,256,576	108,724

(d) Analysis of movements in provisions for reported but not settled claims

	2008 (non audited) KZT '000	2007 KZT '000
Balance at 1 January and at 16 March (date of acquisition), respectively	2,899,881	2,120,236
Provided for current period claims	2,109,403	151,428
Provided for prior period claims	216,920	754,697
Change in loss adjustment expense provision	1,713	(3,526)
Adjustments of prior years' claims	(903,498)	(152,266)
Change in reinsurers' share	(64,324)	23,641
Current period claims paid	(590,921)	(134,411)
Prior years claims paid	(774,609)	(554,487)
Balance at 30 June	2,894,565	2,205,312

(e) Assumptions and sensitivities for general business

Process used to determine the assumptions

The process used to determine the assumptions is intended to result in estimates of the most likely or expected outcome. The sources of data used as inputs for the assumptions are internal, using detailed studies that are carried out annually. The assumptions are checked to ensure that they are consistent with observable market prices or other published information.



13 Insurance contract provisions, continued

(e) Assumptions and sensitivities for general business, continued

The nature of the business makes it very difficult to predict with certainty the likely outcome of any particular claim and the ultimate cost of notified claims. Each notified claim is assessed on a separate, case-by-case basis with due regard to the claim circumstances, information available from loss adjusters and historical evidence of the size of similar claims. Case estimates are reviewed regularly and are updated as and when new information arises. The provisions are based on information currently available. However, the ultimate liabilities may vary as a result of subsequent developments or if catastrophic events occur. The impact of many of the items affecting the ultimate costs of the loss is difficult to estimate. The provision estimation difficulties also differ by class of business due to differences in the underlying insurance contract, claim complexity, the volume of claims and the individual severity of claims, determining the occurrence date of a claim, and reporting lags.

The incurred but not reported claims provisions are estimated using the Chain Ladder statistical method. This method extrapolates the development of paid and incurred claims for each accident period based upon observed development of earlier periods.

To the extent that this method uses historical claims development information it assumes that the historical claims development pattern will occur again in the future. There are reasons why this may not be the case, which, insofar as they can be identified, have been allowed for by modifying the methods. Such reasons include:

- changes in processes that affect the development / recording of claims paid and incurred (such as changes in claim reserving procedures)
- economic, legal, political and social trends
- changes in mix of business
- random fluctuations, including the impact of large losses

Management performs regular reviews of its statistical databases and actual expense data to ensure that provisions are established with appropriate prudence.

Incurred but not reported claims provisions are initially estimated at the gross level and a separate calculation is carried out to estimate the size of reinsurance recoveries.



14 Available-for-sale securities

	30 June 2008 (non-audited) KZT '000	31 December 2007 KZT '000
<i>Held by the Group</i>		
<i>Debt instruments – Quoted</i>		
Treasury notes of the Ministry of Finance of the Republic of Kazakhstan	3,561,717	5,773,143
Bonds of local financial institutions, other than banks	1,107,124	2,102,547
Bonds of local banks	6,731,280	5,835,033
Notes of the National Bank of the Republic of Kazakhstan	350,105	408,427
Treasury notes of the US government	-	149,721
Local municipal bonds	-	119,865
Mortgage bonds of local financial institutions, other than banks	1,071,787	24,565
Eurobonds of local banks	909,401	7,965
Corporate bonds	3,341,966	3,586,982
<i>Equity instruments - Quoted</i>		
Corporate shares	105,165	33,314
Shares of local banks	531,608	556,269
	17,710,153	18,597,831
<i>Pledged under sale and repurchase agreements</i>		
Treasury notes of the Ministry of Finance of the Republic of Kazakhstan	6,684,215	5,856,536
Treasury notes of the US government	-	1,720,913
Notes of the National Bank of the Republic of Kazakhstan	947,004	947,689
Eurobonds of local banks	-	881,006
Bonds of local banks	5,272,474	-
	12,903,693	9,406,144
	30,613,846	28,003,975



15 Other assets

	30 June 2008 (non-audited) KZT '000	31 December 2007 KZT '000
Accrued commission income	899,015	102,229
Intangible assets	473,462	509,019
Taxes prepaid, other than income tax	291,426	42,828
Commissions on pension assets receivable	208,828	118,044
Precious metals	99,407	17,046
Prepayments	79,860	142,098
Receivables from employees	51,535	3,987
Advances on capital expenditures	25,657	30,939
Materials and supplies	21,406	22,268
Receivable from "American Express" for received travelers' checks	18,854	39,470
Documentary settlements	-	23,531
Other assets	351,092	127,044
	2,520,542	1,178,503
Less allowance for impairment	(13,256)	(58,069)
	2,507,286	1,120,434

As at 30 June 2008 the Group recognised accrued commission income in the amount of KZT 802,630 thousand from Bazalt LLC and Silicat LLC for guarantees issued in favour of Development Bank of Kazakhstan JSC. The commission was discounted at a discount rate of 15% over a period of seven years in accordance with the tenor of the guarantees.

16 Current accounts and deposits from customers

	30 June 2008 (non-audited) KZT '000	31 December 2007 KZT '000
Current accounts and demand deposits		
Retail	2,260,418	4,248,729
Corporate	26,328,889	18,086,153
Term deposits		
Retail	17,003,863	15,202,517
Corporate	43,021,567	51,669,742
	88,614,737	89,207,141

Blocked accounts

As at 30 June 2008, the Group maintained customer deposit balances of KZT 6,313,507 thousand (31 December 2007: KZT 4,294,152 thousand) which were blocked by the Group as collateral for loans and off-balance sheet credit instruments granted by the Group.



17 Other liabilities

	30 June 2008 (non-audited) KZT '000	31 December 2007 KZT '000
Amounts payable to the bank "American Express" for travelers' checks	968,098	428,171
Deferred income	780,956	46,740
Commission payable from pension asset management	-	376,021
Amounts payable to employees	228,223	92,308
Taxes payable, other than income tax	271,630	254,087
Reserve for unused vacation	208,641	231,025
Amounts payable to "Aktiva Plus" LLC for premises	-	4,004,059
Other liabilities	152,956	160,040
	2,610,504	5,592,451

As at 30 June 2008 the Group recognised deferred commission income of KZT 739,490 thousand received from Basalt LLC and Silicat LLC for guarantees issued in the favor of beneficiary Development Bank of Kazakhstan JSC. The commission was discounted at a discount rate of 15% over a period of seven years in accordance with the tenor of the guarantees.

18 Commitments and contingencies

(a) Commitments

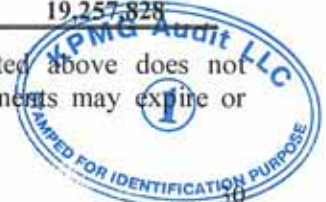
At any time the Group has outstanding commitments to extend credit. These commitments take the form of approved loans and credit card limits and overdraft facilities.

The Group provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. The Group also provides guarantees by acting as settlement agent in securities borrowing and lending transactions.

The contractual amounts of commitments and contingent liabilities are set out in the following table by category. The amounts reflected in the table for commitments assume that amounts are fully advanced. The amounts reflected in the table for guarantees and letters of credit represent the maximum accounting loss that would be recognised at the balance sheet date if counterparties failed completely to perform as contracted.

	30 June 2008 (non-audited) KZT '000	31 December 2007 KZT '000
Contracted amount		
Loan and credit line commitments	8,085,856	13,261,594
Letters of credit	5,405,574	3,582,116
Guarantees	10,580,437	2,414,118
	24,071,867	19,257,828

The total outstanding contractual commitments to extend credit indicated above does not necessarily represent future cash requirements, as many of these commitments may expire or terminate without being funded.



18 Commitments and contingencies, continued

(b) Litigation

In the ordinary course of business, the Group is subject to legal actions and complaints. Management believes that the ultimate liability, if any, arising from such actions or complaints, will not have a material adverse effect on the financial conditions or the results of future operations of the Group.

(c) Taxation contingencies

The taxation system in Kazakhstan is relatively new and is characterised by numerous taxes and frequent changes in legislation, official pronouncements and court decisions. Taxes are subject to review and investigation by a number of authorities, which have the authority to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during five subsequent calendar years; however, under certain circumstances a tax year may remain open longer.

These circumstances may create tax risks in Kazakhstan that are more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on the Group's financial position, if the authorities were successful in enforcing their interpretations, could be significant.

19 Cash and cash equivalents

Cash and cash equivalents at the end of the reporting period as shown in the consolidated interim condensed statement of cash flows is composed of the following items:

	30 June 2008 (non-audited) KZT '000	30 June 2007 KZT '000
Cash	7,969,375	5,974,934
Due from the National Bank of the Republic of Kazakhstan	25,736,622	7,950,854
Placements with banks and other financial institutions with original maturities of less than 3 months	17,208,675	6,405,372
Obligatory reserve	(10,074,217)	(9,875,455)
	40,840,455	10,455,705

Under Kazakh legislation, the Group is required to maintain certain obligatory reserves, which are computed as a percentage of certain liabilities of the Group. Such reserves must be held in either non-interest bearing deposits with NBRK or in cash and maintained based on average monthly balances of the aggregate of deposits with the NBRK and cash. The use of such funds is, therefore, subject to certain restrictions.



20 Related party transactions

(a) Control relationships

The parent of the Bank is Eurasian Financial Industrial Company JSC, an entity equally owned by three individuals, Mr. Mashkevich A., Shodiev P. and Ibragimov A. No publicly available financial statements are produced by the Bank's parent company.

(b) Transactions with members of the Board of Directors and the Management Board and their immediate relatives

Total remuneration to the Board of Directors and Management Board includes only short term employee benefits and is included in personnel expenses as follows:

	6 months 2008 (non-audited) KZT '000	6 months 2007 KZT '000
Members of the Board of Directors	255,413	64,124
Members of the Management Board	128,825	119,245
	384,238	183,369

The outstanding balances and average interest rates as at 30 June 2008 and 31 December 2007 with members of the Board of Directors and Management Board and their immediate relatives are as follows:

	30 June 2008 (non-audited) KZT '000	Average Interest Rate	31 December 2007 KZT '000	Average Interest Rate
Balance Sheet				
Assets				
Loans	317,605	14.50%	506,655	12.30%
Liabilities				
Balances and deposits	1,967,621	9.28%	3,654,660	9.50%

Amounts included in the consolidated interim condensed income statement in relation to transactions with members of the Board of Directors and the Management Board and their immediate relatives are as follows:

	6 months 2008 (non-audited) KZT '000	6 months 2007 KZT '000
Income statement		
Interest income	27,518	28,334
Interest expense	(150,211)	(148,616)



20 Related party transactions, continued

(c) Transactions with other entities

The outstanding balances as at 30 June 2008 and 31 December 2007 and the related average interest rates and the results of transactions for the 6 months ended 30 June 2008 and 2007 with other related entities are summarised in the table below.

	Parent company			Fellow subsidiaries			Others			Total	
	30 June 2008 (non-audited)	31 December 2007	Average Interest Rate	30 June 2008 (non-audited)	31 December 2007	Average Interest Rate	30 June 2008 (non-audited)	31 December 2007	Average Interest Rate	30 June 2008 (non-audited)	31 December 2007
	KZT' 000	KZT' 000		KZT' 000	KZT' 000		KZT' 000	KZT' 000		KZT' 000	KZT' 000
Balance sheet											
Assets											
Loans to customers	-	-	-	5,252,445	3,810,140	12.66%	550,812	687,367	11.80%	5,803,257	4,497,507
Less: allowance for impairment	-	-	-	(12,783)	(218,835)	-	-	-	-	(12,783)	(218,835)
Insurance premiums receivable	-	-	-	103,507	-	-	-	-	-	103,507	-
Available-for-sale securities	-	-	-	1,486,696	1,490,355	9.50%	-	-	-	1,486,696	1,490,355
Other assets	15	4	-	1,208	410,322	-	61	61	-	1,284	410,387
Liabilities											
Current accounts and deposits from customers	1,009,611	1,142,282	3.20%	34,305,336	31,503,049	7.10%	2,148,884	2,424,854	9.90%	37,463,831	35,070,185
Deferred income from policyholders	-	-	-	797,448	-	-	-	-	-	797,448	-
Insurance contract provisions	748	451	-	2,117,172	3,289,835	-	-	-	-	-	-
Other liabilities	450	1,289	-	14,758	5,089,571	-	7,333	807	-	12,841	5,691,667



20 Related party transactions, continued

(c) Transactions with other entities, continued

	Parent company		Fellow subsidiaries				Others		Total	
	30 June 2008 (non-audited)	31 December 2007	30 June 2008 (non-audited)	31 December 2007	30 June 2008 (non-audited)	31 December 2007	30 June 2008 (non-audited)	31 December 2007	30 June 2008 (non-audited)	31 December 2007
	Average Interest Rate KZT' 000	Average Interest Rate	Average Interest Rate KZT' 000	Average Interest Rate	Average Interest Rate KZT' 000	Average Interest Rate	Average Interest Rate KZT' 000	Average Interest Rate	Average Interest Rate KZT' 000	Average Interest Rate
Commitments										
Loan and credit line commitments	-	-	1,358,975	-	1,555,349	-	2,635	-	1,358,975	1,557,984
Guarantees and letters of credit issued	-	-	5,860	-	2,050,809	-	-	-	5,860	2,050,809
	6 months 2008 (non-audited)	6 months 2007	6 months 2008 (non-audited)	6 months 2007	6 months 2008 (non-audited)	6 months 2007	6 months 2008 (non-audited)	6 months 2007	6 months 2008 (non-audited)	6 months 2007
Income statement										
Interest income	-	-	390,399	489,795	31,640	26,636	422,039	516,431	422,039	516,431
Interest expense	(16,088)	(16,088)	(758,383)	(891,564)	(121,312)	(42,438)	(895,783)	(950,090)	(895,783)	(950,090)
Fee and commission income	5,501	2,641	382,275	532,863	-	-	387,776	535,504	387,776	535,504
Income from spot transactions	7,432	1,067	179,141	272,821	-	-	186,573	273,888	186,573	273,888
Impairment losses	-	-	206,052	50,266	-	-	206,052	50,266	206,052	50,266
Other income	5,657	2,284	20,539	25,528	-	-	26,196	27,812	26,196	27,812
Net earned insurance premiums	1,436	50	2,714,349	1,803,793	1,188	-	2,716,973	1,803,843	2,716,973	1,803,843
Net insurance claims incurred	-	-	(855,336)	(595,377)	-	-	(855,336)	(595,377)	(855,336)	(595,377)
Administrative expenses	(87,811)	(137,626)	(12,743)	(19,295)	(73,567)	(78,584)	(174,121)	(235,505)	(174,121)	(235,505)



21 Average effective interest rates

The table below displays the Group's interest bearing assets and liabilities as at 30 June 2008 and 31 December 2007 and their corresponding average effective interest rates for the periods then ended. These interest rates are an approximation of the yields to maturity of these assets and liabilities.

	30 June 2008 Value KZT '000 (non-audited)	2008 Average Effective Interest Rate (non-audited)	31 December 2007 Value KZT '000	2007 Average Effective Interest Rate
Interest Bearing Assets				
Due from the National Bank of the Republic of Kazakhstan	2,000,000	5.50%	-	-
Placements with banks and other financial institutions				
<i>Nostro accounts</i>				
USD	7,479,352	2.00%	16,998,107	4.25%
other currencies	1,127,000	2.03%	468,001	2.85%
<i>Loans and deposits</i>				
KZT	10,781,395	10.49%	8,446,270	10.42%
USD	9,490,700	4.82%	2,584,388	10.59%
other currencies	1,176,135	4.02%	55,586	9.08%
Amounts receivable under reverse repurchase agreements				
KZT	13,639,064	1.56%	9,866,697	6.82%
Loans to customers				
KZT	71,083,193	17.98%	74,238,165	16.79%
USD	32,260,263	16.69%	39,666,337	15.12%
other currencies	817,617	18.30%	1,853,223	17.15%
Available-for-sale securities				
KZT	29,640,099	9.91%	25,244,370	8.05%
USD	973,747	7.22%	2,759,605	4.98%
Interest Bearing Liabilities				
Deposits and balances of banks and other financial institutions				
<i>Loans of financial institutions, other than banks</i>				
KZT	4,679,778	11.08%	3,061,539	11.35%
USD	14,010,118	9.80%	11,054,309	9.19%



21 Average effective interest rates, continued

	30 June 2008 Value KZT '000 (non-audited)	2008 Average Effective Interest Rate (non-audited)	31 December 2007 Value KZT '000	2007 Average Effective Interest Rate
<i>Syndicated bank loans</i>				
USD	11,057,276	4.59%	14,000,320	7.33%
<i>Term deposit</i>				
KZT	12,745,537	9.58%	8,014,862	9.58%
USD	4,830,000	3.50%	-	-
<i>Loans of banks</i>				
USD	950,310	3.68%	1,687,264	7.63%
other currencies	432,233	6.80%	472,792	6.57%
Amounts payable under repurchase agreements				
KZT	11,006,865	3.47%	6,187,406	4.98%
USD	-	-	2,395,979	6.50%
Current accounts and deposits from customers				
<i>Individuals:</i>				
KZT	10,608,912	10.55%	10,233,407	9.06%
USD	5,887,454	7.59%	8,406,937	7.32%
other currencies	780,178	7.67%	675,100	7.56%
<i>Corporate clients:</i>				
KZT	23,036,450	10.21%	31,956,919	9.64%
USD	16,548,042	9.64%	16,667,968	8.78%
other currencies	381,077	1.76%	183,307	2.24%
Debt securities issued				
KZT	1,504,061	6.89%	1,501,617	6.89%
Subordinated debt securities issued				
KZT	17,415,183	12.80%	15,597,213	10.05%



22 Maturity analysis

The following table shows assets and liabilities by remaining contractual maturity dates as at 30 June 2008 (non-audited).

	Less than 1 month KZT '000	1 to 3 months KZT '000	3 months to 1 year KZT '000	1 year to 5 years KZT '000	More than 5 years KZT '000	No maturity KZT '000	Overdue KZT '000	Total KZT '000
Assets								
Cash	7,969,375	-	-	-	-	-	-	7,969,375
Due from the National Bank of the Republic of Kazakhstan	15,662,405	-	-	-	-	10,074,217	-	25,736,622
Placements with banks and other financial institutions	17,282,282	-	137,095	12,885,023	-	-	-	30,304,400
Amounts receivable under reverse repurchase agreements	13,639,064	-	-	-	-	-	-	13,639,064
Derivative securities	10,349	-	-	-	-	-	-	10,349
Loans to customers	4,341,606	12,385,391	16,360,288	40,156,965	29,353,287	-	1,563,536	104,161,073
Reinsurers' share of insurance contract provisions	-	-	6,205,957	520,703	-	-	-	6,726,660
Available-for-sale securities	1,033,535	882,721	5,565,432	8,182,978	14,312,407	636,773	-	30,613,846
Insurance premiums receivable	-	-	5,276,385	-	-	-	-	5,276,385
Income tax prepaid	-	-	75,930	-	-	-	-	75,930
Deferred tax assets	-	-	-	603,216	-	-	-	603,216
Other assets	864,155	-	327,066	784,402	52,511	479,152	-	2,507,286
Property and equipment	-	-	-	-	-	10,428,799	-	10,428,799
Total assets	60,802,771	13,268,112	33,948,153	63,133,287	43,718,205	21,618,941	1,563,536	238,053,005



22 Maturity analysis, continued

Liabilities	Less than	1 to 3	3 months	1 year to	More than	No	Overdue	Total
	1 month	months	to 1 year	5 years	5 years	maturity		
	KZT '000	KZT '000	KZT '000	KZT '000	KZT '000	KZT '000	KZT '000	KZT '000
Deposits and balances from banks and other financial institutions	5,468,746	20,137,995	16,090,691	2,768,922	4,312,327	-	-	48,778,681
Amounts payable under repurchase agreements	11,006,865	-	-	-	-	-	-	11,006,865
Derivative securities	5,480	-	-	-	-	-	-	5,480
Current accounts and deposits from customers	31,195,625	1,525,561	32,970,068	21,519,354	1,404,129	-	-	88,614,737
Income tax payable	-	-	46,135	-	-	-	-	46,135
Debt securities issued	-	-	1,504,061	-	-	-	-	1,504,061
Subordinated debt securities issued	-	249,136	270,533	10,367,387	6,528,127	-	-	17,415,183
Insurance and reinsurance payables	-	-	5,083,373	-	-	-	-	5,083,373
Insurance contract provisions	-	-	12,857,717	952,382	-	-	-	13,810,099
Other liabilities	530,516	1,089,586	209,446	780,956	-	-	-	2,610,504
Total liabilities	48,207,232	23,002,278	69,032,024	36,389,001	12,244,583	-	-	188,875,118
Net position as at 30 June 2008	12,595,539	(9,734,166)	(35,083,871)	26,744,286	31,473,622	21,618,941	1,563,536	49,177,887
Net position as at 31 December 2007	2,859,086	5,543,422	13,616,986	(10,767,416)	12,447,622	19,058,562	798,139	43,556,401

Due to the fact that substantially all the financial instruments of the Group are fixed rated contracts, these remaining contractual maturity dates also represent the contractual interest rate repricing dates.

The amounts in the tables above represent carrying amounts of the assets and liabilities as at the reporting date and do not include future interest payments.



23 Currency analysis

The following table shows the currency structure of assets and liabilities at 30 June 2008 (non-audited):

	KZT KZT '000	USD KZT '000	Other currencies KZT '000	Total KZT '000
Assets				
Cash	2,036,854	3,945,589	1,986,932	7,969,375
Due from the the National Bank of the Republic of Kazakhstan	25,736,622	-	-	25,736,622
Placements with banks and other financial institutions	11,029,935	16,970,051	2,304,414	30,304,400
Amounts receivable under reverse repurchase agreements	13,639,064	-	-	13,639,064
Derivative securities	-	1,926	8,423	10,349
Loans to customers	71,083,193	32,260,263	817,617	104,161,073
Reinsurers' share of insurance contract provisions	6,726,660	-	-	6,726,660
Available-for-sale securities	29,640,099	973,747	-	30,613,846
Insurance premiums receivable	832,761	2,960,918	1,482,706	5,276,385
Income tax prepaid	75,930	-	-	75,930
Deferred tax assets	603,216	-	-	603,216
Other assets	1,559,863	837,169	110,254	2,507,286
Property and equipment	10,428,799	-	-	10,428,799
Total assets	173,392,996	57,949,663	6,710,346	238,053,005
Liabilities				
Deposits and balances from banks and other financial institutions	17,426,993	30,918,841	432,847	48,778,681
Accounts payable under repurchase agreements	11,006,865	-	-	11,006,865
Derivative securities	-	1,710	3,770	5,480
Current accounts and deposits from customers	50,499,458	33,064,543	5,050,736	88,614,737
Debt securities issued	1,504,061	-	-	1,504,061
Subordinated debt securities issued	17,415,183	-	-	17,415,183
Insurance and reinsurance payables	1,310,830	2,651,040	1,121,503	5,083,373
Insurance contract provisions	13,810,099	-	-	13,810,099
Income tax payable	46,135	-	-	46,135
Other liabilities	925,829	1,120,352	564,323	2,610,504
Total liabilities	113,945,453	67,756,486	7,173,179	188,875,118
Net on balance sheet position as at 30 June 2008	59,447,543	(9,806,823)	(462,833)	49,177,887
Net off balance sheet position as at 30 June 2008	(13,863,810)	12,624,795	1,239,015	-
Net on and off balance sheet positions as at 30 June 2008	45,583,733	2,817,972	776,182	49,177,887
Net on and off balance sheet position as at 31 December 2007	41,524,527	2,087,088	(70,439)	43,541,176

